

SUPPLEMENTAL STAFF REPORT ON PETITION FOR ZONE MAP AMENDMENT PLN-MAR-23-00009: 214 WALLER AVENUE, LLC



STAFF REVIEW

In the period following the Subdivision and Zoning Committee meetings, the applicant met with staff to discuss the concerns described within the initial staff report and the comments received during the committee meetings. Since that time, the applicant has submitted updated information including a revised development plan, letter of justification, and architectural renderings

The revised development plan includes the removal of the on-site vehicular use area, and the closure of the access point on W. Maxwell.

COMPREHENSIVE PLAN COMPLIANCE

In the initial staff report, staff identified a number of areas relating to the proposed development that were in conflict with the applicant's choice in development type. Both staff and the applicant agree with the property's location within the Downtown Place-Type. Due to the character of the downtown area, the only types of development that are recommended for this Place Type are high density development, which calls for high rise structures, significantly increased density, and an increased utilization of the site. Furthermore, with this property's location on one of the most significant downtown corridors, further density is recommended to help support future transit-oriented development. The applicant did not provide any information in the supplementary letter of justification that addressed staff's questions regarding the compliance with the Goals, Objectives, Policies, and Development Criteria that related to providing for a larger, more intense structure to be provided on-site.

The applicant argues that the site's limitations, and the economic feasibility of the project preclude them from developing at the density that is called for within the Comprehensive Plan. The lot is 5,600 square-feet in size, and utilizing the property as called for with the recommended High Density Residential development type would require a high-rise structure, with the majority of the site being occupied by the building footprint. While parking is recommended to be reduced in the downtown area, the site is currently not large enough to accommodate any on-site parking. In addition, W. Maxwell Street at this location does not allow for on-street parking, and the narrow width of the alleyway precludes parking there as well. As such, the entirety of the parking demand for any development that takes place at this location will have to be met with on-street parking on the side streets southwest of the subject properties

Staff finds that due to the constraints of the site, the applicant's proposal is not in agreement with the 2018 Comprehensive Plan.

APPROPRIATENESS ARGUMENT

In the absence of a finding of agreement with the Comprehensive Plan, the applicant may make an argument for the inappropriateness of the current zone, and the appropriateness of the proposed zone.

The applicant argues that the subject property's historical use as a B-4 zone is no longer appropriate in this area. In the time since the comprehensive rezoning of the city and county that established this zoning at this location, both the Maxwell Street and S. Broadway corridors have seen a significant shift in use, density, and intensity. This area, which until the early 2000s was the site of warehouses and other light industrial activity, has since shifted. Prior to 2000, the property at 522 W. Maxwell contained a 40,000 square-foot warehouse, 501 S. Broadway contained 500,000 square feet of warehouse space, and 501 Spring Street contained a 57,000 square-foot warehouse. All three structures have since been demolished, and are now a parking lot, large multi-story mixed-use development, and a vacant lot, respectively. The railroad that previously served this area to the south has been abandoned, and the right-of-way incorporated with the expansion and improvements to Oliver Lewis Way. The remaining B-4 zone uses in the immediate vicinity are generally offices for shops of specialty trade.

The applicant notes that the B-4 zone does not allow for the flexible mixing of uses, residential component, or density called for within the downtown context. The B-4 zone does not generally encourage pedestrian oriented development, but rather provides for development that is supportive of industrial and large scale commercial needs. The Zoning Ordinance designates the B-4 zone as a zone intended to buffer more intense industrial land uses; however, the current B-4 zone is the most intense use remaining in this area due to the shift away from industrial uses in this portion of the downtown. Furthermore, the subject property's small size precludes the developer from meaningfully utilizing it for the vast majority of uses allowed in the B-4 zone.

The applicant also opines that the chosen Lexington Center Business (B-2B) zone is appropriate. Unlike the B-4 zone, the B-2B zone was explicitly designed to meet the needs of the downtown core. The zone seeks to support the operation of the Lexington Convention Center, promote economic growth, and provide for aesthetic improvement. From a walkability perspective, the B-2B zone promotes a more useful range of uses for a downtown context than the B-2B zone, such as restaurants, retail, professional services, and office space. The development standards for the B-2B zone encourages development that defines the streetscape, and creates a defined vertical edge for pedestrians. The B-2B zone allows for residential uses, which are critical to the long term viability of the downtown, and addresses the current significant need for additional housing units.

The applicant's proposal is also in line with the historical trend of zoning in this area. The subject parcel directly adjoins land zoned B-2B to the west, and there are seven other parcels along this portion of W. Maxwell Street that have been rezoned to B-2B since 1982 (MAR-82-48, MAR-2004-26, MAR-2005-23, MAR-2012-11, MAR-2013-2). This illustrates a consistent shift in the land use in this area from industrial and warehousing zones, to zones better support the urban core. The proximity to other B-2B zones also allows for the potential of consolidation and redevelopment that would be closer in line with the density and intensity called for by the Comprehensive Plan.

Staff finds that the current B-4 zoning is inappropriate at this location, and that the proposed B-2B zoning is more appropriate.

CONDITIONAL ZONING RESTRICTIONS

The zone changes to the B-2B zone along this portion of W Maxwell have all included conditional zoning restrictions aimed at ensuring the compatibility of the zones with the corridor. While the specific restrictions vary by property, all of them restrict auto-centric uses, such as automobile service stations, as well as auto sales uses. Staff finds it important to continue to limit such auto-centric uses, and are proposing the following conditional zoning restrictions for the property:

Under the provision of Article 6-7 of the Zoning Ordinance, the following use restrictions are proposed for the property via conditional zoning:

Prohibited Uses

- i. *Automobile service stations, and/or the sale of gasoline*
- ii. *Establishments for the display, rental, and sale of automobiles, motorcycles, trucks, and boats.*

These conditions are appropriate and necessary in order to protect the character of the W. Maxwell Corridor, as well as provide for pedestrian safety within the downtown core.

STAFF RECOMMENDS: **APPROVAL**, FOR THE FOLLOWING REASONS:



1. The subject property's current Wholesale and Warehouse Business (B-4) zone is inappropriate for the following reasons:
 - a. The subject property's small size limits the ability to meaningfully utilize the property for wholesale and warehouse uses.
 - b. The B-4 zone is oriented towards providing support for industrial and larger commercial users, which are no longer present in the area.
 - c. Since 2000, the area south of W. Maxwell Street has shifted from warehouse uses to denser, pedestrian-friendly, mixed use development.
 - d. The current B-4 zone does not promote pedestrian-friendly uses, and detracts from the effectiveness of the transportation system in the area.
 - e. The current B-4 zone does not allow for many commercial, office, and residential uses that are necessary in order to ensure the ongoing vitality of the downtown core.

2. The proposed Lexington Center Business (B-2B) zone is appropriate, for the following reasons:
 - a. The proposed B-2B zone allows for higher density development, a greater variety of commercial uses, and residential development within the downtown area.
 - b. The subject properties adjoin existing properties with B-2B zoning to the north and west, and a total of seven properties along this portion of W. Maxwell Street have been rezoned since the early 1980s.
 - c. The property's proximity to other B-2B zoned properties allows for potential future consolidation and redevelopment closer in lines to the recommendations of the Downtown Place-Type within the 2018 Comprehensive Plan.
 - d. The property is located along a major Downtown corridor, which calls for zones that can accommodate future redevelopment to support future transit-oriented development.

3. Under the provision of Article 6-7 of the Zoning Ordinance, the following use restrictions are proposed for the property via conditional zoning:

Prohibited Uses

 - i. Automobile service stations, and/or the sale of gasoline.
 - ii. Establishments for the display, rental, and sale of automobiles, motorcycles, trucks, and boats.

These conditions are appropriate and necessary in order to protect the character of the W. Maxwell Corridor, as well as provide for pedestrian safety within the downtown core.

4. This recommendation is made subject to approval and certification of PLN-MJDP-23-00045 OT & Elizabeth Robinson Property, prior to forwarding a recommendation to the Urban County Council. This certification must be accomplished within two weeks of the Planning Commission's approval.